

STATE OF CALIFORNIA
BUSINESS, CONSUMER SERVICES, AND HOUSING AGENCY
DEPARTMENT OF BUSINESS OVERSIGHT

TO: Trago International, Inc.
Christopher T. Condon
2215-B Renaissance Drive, Suite 16
Las Vegas, Nevada 89119-6727

DESIST AND REFRAIN ORDER
(For violations of sections 25110 and 25401 of the Corporations Code)

The Commissioner of Business Oversight ("Commissioner") finds that:

1. At all relevant times, Trago International, Inc. ("Trago") was a Delaware corporation with offices purportedly located at 2215-B Renaissance Drive, Suite 16, Las Vegas, Nevada 89119-6727.
2. At all relevant times, Christopher Condon ("Condon") held himself out as the Chief Executive Officer, President and Secretary of Trago.
3. From at least August 2006, Trago and Condon offered and sold securities in this state in the form of common stock subscription agreements and promissory notes convertible into common stock and supposedly secured by Trago's assets.
4. Trago and Condon sold these securities to investors for at least \$1 million.
5. The purported purpose of the investors' money was to support and expand Trago's tequila business operations. Trago and Condon represented to investors that Trago's business was expanding and claimed to have contracts with major retailers for Trago's tequila products.
6. Trago and Condon represented that the profits from these contracts and the expanding business would be used to pay back the principal and interest on the promissory notes and would increase the value of the common stock.
7. In connection with the offer and sale of these securities, Trago and Condon made, or caused to be made, misrepresentations of material fact or omitted to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not

1 misleading. These misrepresentations and omissions included, but are not limited to the following:

- 2 a. Trago and Condon failed to disclose that Trago was insolvent and petitioning for
3 bankruptcy;
- 4 b. Trago and Condon misrepresented material business details, such as what distributor
5 and retail contracts the company held;
- 6 c. Trago and Condon misrepresented that the investors' notes were secured by product
7 sales estimated at \$1 million, when, in fact, Trago did not have \$1 million in product sales;
- 8 d. Trago and Condon misrepresented that the investors would receive back all of their
9 principal plus interest.

10 8. These securities were offered or sold in this state in issuer transactions. The Department of
11 Business Oversight has not issued a permit or other form of qualification authorizing any person to
12 offer and sell these securities in this state.

13 Based on the foregoing findings, the Commissioner is of the opinion that the promissory notes
14 sold by Trago and Condon are securities subject to qualification under the Corporate Securities Law
15 of 1968 ("CSL") (Corp. Code, § 25000 et. seq.) and are being or have been offered or sold without
16 being qualified or exempt, in violation of Corporations Code section 25110.

17 The Commissioner is of the opinion that the securities offered by Trago and Condon were
18 offered in this state by means of written or oral communications that included untrue statements of
19 material fact or omitted to state material facts necessary in order to make the statements made, in the
20 light of the circumstances under which they were made, not misleading, in violation of Corporations
21 Code section 25401.

22 Pursuant to Corporations Code section 25532, Trago International, Inc. and Christopher T.
23 Condon are hereby ordered to desist and refrain from the further offer or sale of securities in this
24 state, including, but not limited to promissory notes, unless and until qualification has been made
25 under the CSL or unless exempt. Trago International, Inc. and Christopher T. Condon are also
26 hereby ordered to desist and refrain from the further offer or sale in of securities in this state,
27 including, but not limited to promissory notes, by means of any written or oral communication which
28 includes an untrue statement of a material fact or omits to state a material fact necessary in order to

1 make the statements made, in the light of the circumstances under which they were made, not
2 misleading.

3 This order is necessary, in the public interest, for the protection of investors and consistent
4 with the purposes, policies, and provisions of the CSL.

5 Dated: January 23, 2017

6 JAN LYNN OWEN
Commissioner of Business Oversight

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8 By _____
9 MARY ANN SMITH
10 Deputy Commissioner
11 Enforcement Division
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